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*Hollywood Chamber of
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Hollywood Entertainment District
7083 Hollywood Blvd., Suite 304
Hollywood, CA 90028
phone 323 463 6767 fax 323 463 1839

October 12, 1999

TO: Mike Vitkiewicz, Manager
Special Assessments Unit
Office of the City Clerk

FROM: Kerry Morrison
Executive Director
Hollywood Entertainment District

SUBJECT: Third Quarter
July 1, 1999 through September 30, 1999

As is required in our Agreement with the city of Los Angeles, I am submitting our Third Quarter Report to summarize key activities of the Hollywood Entertainment District. This report covers both BIDs – Phase I and Phase II. The activities will generally refer to the entire District, unless activities specific to one of the Phases are important to highlight.

I. Operational Issues

- ▶ Mr. Aaron Epstein, a property owner, filed an intention to appeal the Superior Court ruling (handed down on 6/11/99) to the Court of Appeal. Mr. Epstein asserts that the non-profit property owners association that manages the BID should be subject to the Brown Act.
- ▶ MBIA MuniFinancial completed the creation of a master property owner/parcel data base which culminated nearly six months of effort to combine county data with ACT contact data developed by HED over the past two years into one Excel database. This database will be updated quarterly to reflect changes in property ownership.
- ▶ The Phase I Advisory Board met on August 9, 1999 at the Bank of Hollywood conference room to review assessment adjustments for the coming year. Adjustments were made to four parcels given demolitions that had occurred over the past year. Further, one parcel owner, Orchid Suites Hotel, asked to be temporarily relieved of his assessment given his isolation associated with the construction of the TrizecHahn site. The Advisory Board agreed that his 1998-99 assessment should be refunded, and he should be exempt for the coming year. They will reevaluate his

situation next year.

- ▶ The Phase II Advisory Board met on August 18 at the public library and reviewed the proposed assessment roll for 1999-2000. No changes were recommended at this time.
- ▶ Melvin Choo, a board member since 1996, resigned his seat on the Board. Brett Wood, representing Pacific Theatres was elected to fill the remainder of Choo's term.
- ▶ The Nominating Committee for the HEDPOA met over the course of this quarter. The Committee was chaired by David Green of Nederlander West Coast, and included Barbara Zicka-Smith from American Cinematheque and Sandra Reed from Black Equities. In accordance with the By-laws, property owners were informed that five seats would become available in November, and 10 owners submitted their names for consideration by the Nominating Committee. The slate recommending the following five individuals was announced on August 12 and they will be elected in November: Russ Joyner, TrizecHahn; Raubi Sundher, Wax Museum/Guinness World of Records; Nathan Korman, 1723 N. Wilcox, Monica Yamada, CIM Group; Jim Reichow, Campus Hollywood.
- ▶ The Board approved the purchase of additional umbrella liability coverage at its September board meeting. The executive director will be working with other BIDS in Los Angeles to research the feasibility of all the BIDs joining together to purchase group coverage.
- ▶ Kerry Morrison was deposed by the plaintiff's attorney in *Albore v. City of Los Angeles et. al.* on August 6. The case involves an Italian tourist that tripped on a trash bracket in August, 1997 outside of the boundaries of the Phase I BID. Subsequently, on 9/22/99, the plaintiff's filed a petition to dismiss the Hollywood Entertainment District Property Owners Association from the case.

II. Security

- ▶ With the infusion of dollars from the HCIP grant, the hours for BID security were extended during this period. The normal schedule was augmented as follows:

Normal Summer Sched. Deployment - Phase I	Additional Deployment Phase I due to HCIP	Normal Summer Sched. Deployment - Phase II	Additional Deployment Phase II due to HCIP
118 hours	38 hours	236 hours	72 hours

In addition, one additional footbeat was created, "Footbeat 4," to patrol the Hollywood/Western station area, and to come back into the BID to provide extra patrol within the District. This amounted to 148 additional hours of security each week.

- Based upon input from a property owner, a special "nightclub detail" was deployed during four weeks in late July/early August. The purpose of this detail was to determine whether there was justification to deploy BID-funded security until 3:00 a.m. to address issues related to nightclub activity. After the four nights of experimentation with this schedule, the Security Committee and the Board decided that this did not represent the best utilization of the property-owner's funds.

III. Maintenance

- The Streetscape Committee conducted a walk-through of the District with California Street Maintenance on August 11. Observations were made about specific sidewalks that needed additional attention. Additionally, various elements of the sidewalk "infrastructure" that were in a serious state of disrepair were brought to the attention of the CRA via a letter.
- The HEDPOA is still awaiting the go-ahead to assume responsibility for the Hollywood-Vine Assessment District. A draft Memorandum of Understanding between the Public Works Department and the City Clerk's office has been completed and must be approved still by the Board of Public Works and the City Council. The original motion was passed by the City Council in February.
- The HEDPOA sent a letter to Councilmember Goldberg requesting a meeting with Hollywood Beautification Team (the current vendor for the Hollywood/Vine Assessment District) and Operation Clean Sweep to clarify hours and schedules for the various organizations responsible for cleaning and graffiti abatement in the District.

IV. Streetscape Issues

- The Streetscape Committee met frequently over this quarter to tackle the task of encumbering its HCIP Streetscape Grant. The committee was working against a deadline of 9/22/99, when the HED/CRA contract was scheduled to expire. At the last minute, the CRA agreed to extend the contract for one more year. However, during this time, significant progress was made on researching streetscape related projects, securing bids and prioritizing. As a result, several decisions were approved by the Board at their September meeting, including the following:
 - a. Trash receptacles: purchase 50 new receptacles, refurbish 45 existing receptacles and replace liners on six receptacles on Ivar;
 - b. Lighting: replace and repair all the stage lights, palm tree uprights and Ivar tree lights that were installed in CRA demonstration project areas back in the early 90's;
 - c. Hire Melendrez Babalas Associates to assist with tree project bidding, contractor selection, city permits and construction documents;
 - d. Hire Sussman/Prejza & Company, Inc. to consult on the development of a draft ordinance to create a special sign overlay zone for the Hollywood Entertainment District, and to design an enforcement/educational program relative to the existing sign ordinance;
 - e. Pay for 188 pole banners for 2000 that will serve to "brand" the Hollywood Entertainment District and eliminated the clutter of a hodge podge of pole banners that currently fly from the light poles.
- ▶ The District is assisting four cafes in securing street dining permits for their establishments: Yokohama Beef Bowl, exIncendo, Red's of Hollywood and Sandy Burger.
- ▶ The Board voted to provide irrigation services to the Queen Palms on Cahuenga planted by the CRA in March at the request of the Cahuenga Corridor Coalition. The funds will come from the HCIP grant.

V. Marketing

- ▶ A significant revision to the District's existing Visitor's Guide/Map was initiated. The map will now feature the entire 18-block expanse of the BID and coupon and "bubble" positions were sold to over 35 participating

businesses. The map will be ready by the first week of November.

- ▶ During this quarter, articles about, mentioning the BID or assisted by the BID Marketing Director appeared in: Los Angeles Business Journal, Where L.A.?, and Los Angeles Times. TV Guide TV (Canada) ran a story about one of the California Street Maintenance workers.
- ▶ The second annual Benchmarking report was completed by Economics Research Associates (ERA) and the trends in the areas of office leases, pedestrian counts, restaurant and retail revenues, business license taxes and a host of other indicators continues to be positive. A press release highlighting the ERA report was prepared on 9/27 and resulted in a prominent story in the Daily News and stimulated the assignment of a feature piece about Hollywood by the Los Angeles Times.
- ▶ As a result of the Coro report relative to the impact of the HED on the area's homeless population, the Board assigned the Marketing Committee the task of creating a fundraising event for 2000 that will raise funds for People Assisting the Homeless (PATH). That work has begun, and vjk events has been hired to do an initial plan for the event, the venue, the budget and potential sponsors.
- ▶ Two other cooperative ads were developed to promote BID businesses. The first will appear in the program for the AFI Film Festival in October, and the second will appear in the 2000 California State Tourism Guide.
- ▶ The Board decided to renew the contract with Marketing Consultant for an additional year, effective October, 1999. The contract will be funded from Phase I and Phase II marketing dollars.

VI. Other

- The ad-hoc BID Consortium continues to meet every four to six weeks. The group met on July 7 at the Century Corridor BID and on August 18 at the Los Feliz BID.
- A joint committee of the Hollywood Chamber of Commerce, the Hollywood Entertainment District and the new Hollywood Media District was formed in September to address parking issues in Hollywood.
- Kerry Morrison is participating on a committee headed by the Downtown

Quarterly Report

October 14, 1999

Hollywood Entertainment District Property Owners Association

Center BID, who is the host BID for the September 2000 International Downtown Association conference which will be held in Los Angeles.

- Kerry Morrison represented the BID at the following meetings: Outpost Homeowner's Association (7/20); Institute of Real Estate Managers (IREM) (9/22); and Travel and Tourism Marketing Association (9/2).

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